

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES  
PRIORITY MAIL CONTRACT 146 (MC2016-3)  
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-3

**USPS NOTICE OF CHANGE IN PRICES PURSUANT TO  
AMENDMENT TO PRIORITY MAIL CONTRACT 146**  
(November 15, 2017)

The Postal Service hereby provides notice that prices under Priority Mail Contract 146, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of the amendment to Priority Mail Contract 146 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days after the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certified statement required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service's original application for non-public treatment in this docket is hereby incorporated by reference for the protection of these materials.



Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorney:

Elizabeth A. Reed

475 L'Enfant Plaza, SW  
Washington, D.C. 20260-1137  
(202) 268-3179  
[Elizabeth.A.Reed@usps.gov](mailto:Elizabeth.A.Reed@usps.gov)  
November 15, 2017



**ATTACHMENT A**

**REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 146**



**AMENDMENT #3**  
**OF**  
**SHIPPING SERVICES CONTRACT**  
**BETWEEN**  
**THE UNITED STATES POSTAL SERVICE**  
**AND**  
**[REDACTED]**  
**REGARDING**  
**PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service (“the Postal Service”) and [REDACTED] (“Customer”) entered into a Shipping Services Contract regarding Priority Mail Service, PM Contract 146/Docket No. CP2016-3, on September 28, 2015.

WHEREAS, the Parties desire to amend Sections I.G.1-2 and add Section I.J to the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

**I. Terms**

[Replace Sections I.G.1-2, as follows. Tables B-D shall remain unchanged.]

**G.**

1. From the effective date of this amendment, Customer shall pay applicable discounted prices based on Customer’s average quarterly volume of Total PM Packages shipped during the previous four Contract Quarters, pursuant to:
  - Table B below for the first Volume Year
  - Table C below for the second Volume Year
  - Table D below for the third Volume Year
2. In any Volume Year, should the average quarterly volume of Total PM Packages fall below the minimum volume for Tier 1 for the applicable Volume Year, Customer will pay the prevailing Priority Mail Commercial Plus Cubic prices on all Contract Packages shipped during the subsequent Contract Quarter. The average quarterly volume will be calculated by summing the total volume of Total PM Packages shipped during the previous four Contract Quarters and dividing by four (4).



[Add Section I.J, as follows:]

J. Extra Service Discounts. From the effective date of this amendment, Customer shall receive the following discounts off prevailing published prices per request for qualifying Contract Packages, for the following additional services:

1. Signature Confirmation (electronic) - [REDACTED] off prevailing published price
2. Package Intercept - [REDACTED] off prevailing published price



IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

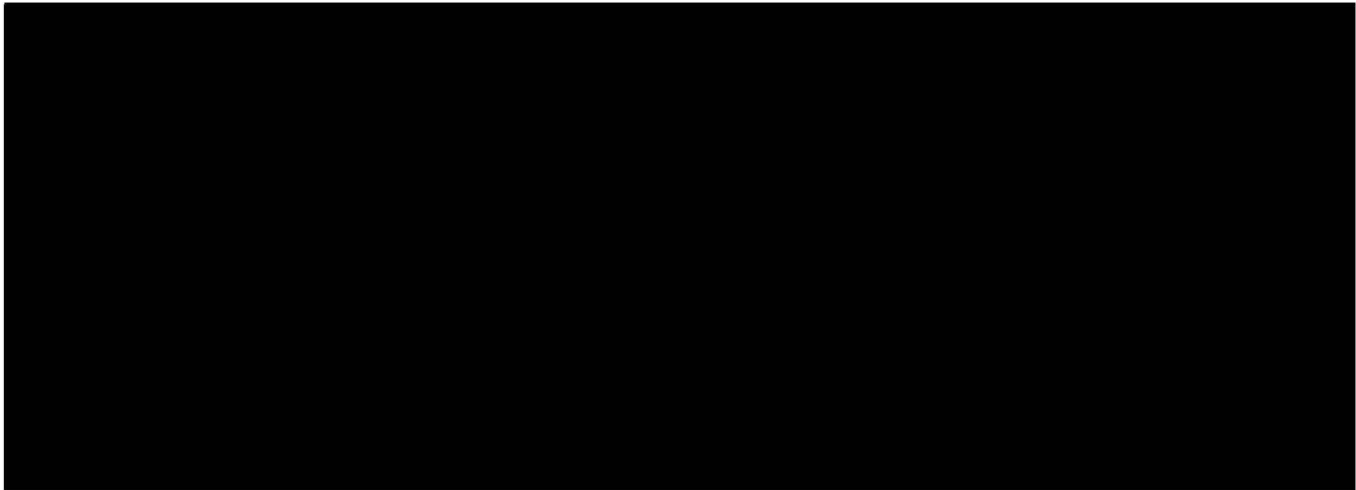
UNITED STATES POSTAL SERVICE

Signed by: 

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: 10/23/17





**ATTACHMENT B**  
**SIGNED CERTIFICATION**



## **Certification of Prices for Amendment to Priority Mail Contract 146**

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for the amendment to Priority Mail Contract 146. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Steven R.  
Phelps**

---

Steven R. Phelps

Digitally signed by Steven R. Phelps  
DN: cn=Steven R. Phelps, o=United States  
Postal Service, ou=Pricing & Costing,  
email=steven.r.phelps@usps.gov, c=US  
Date: 2017.11.14 15:51:18 -05'00'